

HOUSE BILL 3247

By Matheny

AN ACT to amend Tennessee Code Annotated, Title 55,
Chapter 3, Part 2, relative to dismantled or
wrecked vehicles.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 55-3-202(a)(1), is amended by deleting the word "Any" and by substituting instead the language "Subject to subsection (b)(2), any".

SECTION 2. Tennessee Code Annotated, Section 55-3-202, is amended deleting subsection (b) in its entirety and by substituting instead the following language:

(b) Notwithstanding any provisions of this title to the contrary, any motor vehicle dismantler and recycler or scrap metal processor who purchases a motor vehicle solely for parts, dismantling or scrap that is ten (10) years old or older may purchase the motor vehicle without seeing and obtaining a copy of the title to the vehicle if the following information is obtained by the buyer and maintained as a part of the record required by subdivision (a)(1) for three (3) years:

(1) The buyer signs a statement which includes all the following information, swearing that the vehicle is worth eight hundred fifty dollars (\$850.00) or less and is at least ten (10) model years old. The department shall promulgate a form for the statement which shall include, but not be limited to:

(A) The name and address of the motor vehicle dismantler and recycler or scrap metal processor;

(B) A statement that the vehicle shall never be titled again and will be dismantled or scrapped;

(C) A description of the vehicle including the year, make, model, vehicle identification number, and color, to the extent practicable;

(D) The name, address, and driver's license number of the owner and the license plate number of any vehicle transporting the motor vehicle being sold; the buyer shall obtain photocopy or electronic scan of a valid driver license of the seller or seller's agent of the motor vehicle, or in lieu of the photocopy or scan of the valid driver license, any other identification card containing a photograph of the seller as issued by any state or federal agency of the United States. If the buyer has a copy of the seller's photo identification on file, the buyer may reference the photo identification on file without making a separate photocopy for each transaction;

(E) A certification that the owner:

(i) Never obtained a title to the vehicle in his or her name; or

(ii) Was issued a title for the vehicle, but the title was lost or stolen;

(F) A written statement signed by the seller or the seller's agent, certifying the seller, or the seller's agent, has the lawful right to sell the motor vehicle;

(G) A certification that the vehicle:

(i) Is worth eight hundred fifty dollars (\$850.00) or less;

(ii) Is at least ten (10) model years old; and

(iii) Is not subject to any secured interest or lien.

(H) An acknowledgment that the seller realizes this form will be filed with the department and that a person commits the offense of forgery punishable in accordance with § 39-14-114, to knowingly, with fraudulent intent, falsify any information on this statement;

(I) The owner's signature and the date of the transaction;

(J) The name, address, and National Motor Vehicle Title Information System identification number of the business acquiring the vehicle;

(K) A certification by the business that eight hundred fifty dollars (\$850.00) or less was paid to acquire the vehicle; and

(L) The business agent's signature and date along with a printed name and title if the agent is signing on behalf of a corporation.

(2)

(A) The motor vehicle dismantler and recycler or scrap metal processor shall mail or otherwise deliver the statement required under subdivision (1) of this subsection to the department within seventy-two (72) hours of the completion of the transaction, requesting that the department cancel the certificate of title and registration.

(B) Notwithstanding the requirement to mail or otherwise deliver the statement required under subdivision (A) of this subdivision (2) to the department, the department shall provide a mechanism for the receipt of the information required to be obtained in the statement by electronic means, at no cost to the motor vehicle dismantler and recycler or scrap metal processor in lieu of the physical delivery of the statement, in which case the motor vehicle dismantler and recycler or scrap metal processor

shall maintain the original statement for a period of not less than three (3) years.

(C) Within forty-eight (48) hours of each day's close of business, the motor vehicle dismantler and recycler or scrap metal processor who purchases or receives motor vehicles for scrap or for parts shall deliver in a format approved by the department, either by facsimile or by other electronic means to be made available by the department by January 1, 2013, a list of all such vehicles purchased that day for scrap or for parts. That list shall contain the following information:

- (i) The name, address, and contact information for the reporting entity;
- (ii) The vehicle identification numbers of such vehicles;
- (iii) The dates such vehicles were obtained;
- (iv) The names of the individuals or entities from whom the vehicles were obtained, for use by law enforcement personnel and appropriate governmental agencies only;
- (v) A statement of whether the vehicles were, or will be, crushed or disposed of, or offered for sale or other purposes;
- (vi) A statement of whether the vehicle is intended for export out of the United States; and
- (vii) The National Motor Vehicle Title Information System identification number of the business acquiring the vehicle.

There shall be no charge to either a motor vehicle dismantler and recycler or scrap metal processor associated with providing this information to the department.

(D) For purposes of this subsection (b), the term "motor vehicle" shall not include a vehicle which has been crushed or flattened by mechanical means such that it is no longer the motor vehicle as described by the certificate of title, or such that the vehicle identification number is no longer visible or accessible, in which case the purchasing or receiving motor vehicle dismantler and recycler or scrap metal processor shall verify that the seller has reported the vehicles in accordance with this subsection (b). Such verification may be in the form of a certification from the seller or contract between the seller and the purchasing or receiving motor vehicle dismantler and recycler or scrap metal processor which clearly identifies the seller by a government issued photograph identification card, or employer identification number, and shall be maintained for a period of not less than three (3) years.

(E) The information obtained by the department in accordance with this subsection shall be reported to the National Motor Vehicle Title Information System, in a format which will satisfy the requirement for reporting this information, in accordance with rules adopted by the United States Department of Justice in 28 C.F.R. 25.56.

(F) The information obtained by the department in accordance with this subsection (b) shall be made available only to law enforcement agencies, and for purposes of canceling certificates of title, and shall otherwise be considered to be confidential business information of the respective reporting entities.

SECTION 3. Tennessee Code Annotated, Section 55-3-202(c), is amended by designating the existing language as subdivision (1) and by deleting the language ", or any person who falsifies the statement required under subsection (b),".

SECTION 4. Tennessee Code Annotated, Section 55-3-202(c), is further amended by adding the following language as a new subdivision (2):

(2) Any person who, with fraudulent intent, falsifies the statement in subdivision (b)(1) commits the offense of forgery punishable in accordance with § 39-14-114.

SECTION 5. This act shall take effect July 1, 2012, the public welfare requiring it.